

CONNOR CAPITAL SB, LLC

FORM ADV, PART 2A
(the “*Brochure*”)

November 17, 2023

1236 Coast Village Circle
Suite G
Santa Barbara, CA 93108
(805)-824-4073
www.connorsb.com

This Brochure provides information about the qualifications and business practices of Connor Capital SB, LLC (“*Connor Capital* or *Investment Manager*”). If you have any questions about the contents of this brochure, please contact us at (805)-824-4073. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“*SEC*”) or by any state securities authority. Additional information about Connor Capital also is available on the SEC’s website at www.adviserinfo.sec.gov. Connor Capital may refer to itself as a “registered investment adviser” or “*RIA*”. You should be aware that registration with the SEC or a state securities authority does not imply a certain level of skill or training.

Important Note About This Brochure

This Brochure is not:

- an offer or agreement to provide advisory services to any person;
- an offer to sell interests or a solicitation of an offer to purchase interests in any investment product or vehicle advised by Connor Capital;
- a complete discussion of the features, risks or conflicts associated with any account advised by Connor Capital; or
- to be relied on in determining whether to invest in a Private Fund (as defined herein) or establish an advisory relationship with Connor Capital.

As required by the Investment Advisers Act of 1940, as amended (the “*Advisers Act*”), Connor Capital provides this Brochure to current or prospective investors in a Private Fund, together with other relevant offering materials, prior to, or in connection with, such persons’ establishment or consideration of an investment in a Private Fund.

Persons who receive this Brochure (whether or not from Connor Capital) should be aware that it is designed solely to provide information about Connor Capital as necessary to respond to certain disclosure obligations under the Advisers Act. Therefore, the information in this Brochure may differ from information provided in the materials that govern an investor relationship such as a Private Fund’s Governing Documents (as defined below).

More complete information about each Private Fund, as well as Connor Capital’s investment management services in general, is included in relevant Governing Documents, certain of which may be provided to Investors (as defined below) only by Connor Capital or another designated party. To the extent that there is any conflict between discussions herein and similar or related discussions in any Governing Documents, the relevant Governing Documents shall govern and control.

In no event should this Brochure be considered to be an offer of interests in a Private Fund or relied upon in determining to invest. It is also not an offer of, or agreement to provide, advisory services directly to any recipient.

ITEM 2: MATERIAL CHANGES

This is the initial registration filing of Connor Capital. Going forward, Connor Capital will make changes throughout its Brochure to improve and clarify the descriptions of its business practices and compliance policies and procedures or in response to evolving regulatory and industry practices.

The information set forth in this brochure is qualified in its entirety by the applicable fund offering and/or governing documents. In the event of a conflict between the information set forth in this brochure and the information in the applicable offering and/or governing documents, such documents will control.

We encourage all clients and investors to carefully review this document in its entirety.

ITEM 3: TABLE OF CONTENTS

ITEM 2: MATERIAL CHANGES	3
ITEM 3: TABLE OF CONTENTS	4
ITEM 4: ADVISORY BUSINESS.....	5
ITEM 5: FEES AND COMPENSATION.....	7
ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	9
ITEM 7: TYPES OF CLIENTS	10
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS .	11
ITEM 9: DISCIPLINARY INFORMATION	18
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	19
ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	21
ITEM 12: BROKERAGE PRACTICES	24
ITEM 13: REVIEW OF ACCOUNTS	25
ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION	26
ITEM 15: CUSTODY	27
ITEM 16: INVESTMENT DISCRETION.....	28
ITEM 17: VOTING CLIENT SECURITIES	29
ITEM 18: FINANCIAL INFORMATION.....	30

ITEM 4: ADVISORY BUSINESS

Overview

Connor Capital (“**Investment Manager**”) is a private equity investment management firm, which was founded by John T. Connor (“**Principal**”) in 2015. Mr. Connor is Connor Capital’s principal owner. Connor Capital’s investment strategy is to invest in equity, debt, equity related and debt-related investments in privately held companies as well as in publicly traded companies in the transportation and transportation-related industries to generate capital appreciation.

Connor Capital provides investment management services on a discretionary basis to private equity investment funds (the “**Private Equity Funds**”), including the following: Connor Capital Transportation Opportunities I, L.P. (“**Fund**”), in which Connor Capital Transportation Opportunities INT I, LP. is the feeder fund. (“**Feeder Fund**”). An affiliate of Connor Capital, Connor Capital Transportation Opportunities I GP, LLC (“**General Partner**”), serves as the general partner to the Fund and Feeder Fund. In addition, the General Partner is the same for the single purpose private investment funds established for the purpose of making an investment in a Portfolio Company (“**Investment Vehicles**”). Connor Capital is the Investment Manager for the Investment Vehicles, which are deemed to be investment advisory clients including the following: CC USRL LP, CCDW RAIL LP, CCSB RPCO LP, CCSB WPER LP, CCSB1 AUS LP, CCSB1 LOADSMART LP, CCSB1 WATCO LP, CCSBV1 MEXICO LP, and CCTO1 UBER1 LP.

Connor Capital expects to establish additional Investment Vehicles for future portfolio company investments. Current and any future Investment Vehicles together with the Fund, are referred to as “**Funds**”. Connor Capital, together with the General Partner are together referred to in this Brochure as “**Connor Capital Affiliates**”. Companies in which the Funds or the Investment Vehicles invest are referred to as “**Portfolio Companies**”.

Connor Capital filed a single Form ADV. As of November 2023, Connor Capital had approximately \$180 million in discretionary gross assets under management, which amount includes uncalled capital commitments as of that date. Connor Capital does not currently manage any assets in a non-discretionary manner.

Nature of Clients and Investors

The Funds are Connor Capital’s clients. Connor Capital does not have a separate client relationship with investors in the Funds, which are referred to throughout this Brochure as “**Investors**.” The Funds are typically U.S. limited partnerships, and other investment vehicles that are not registered or required to be registered under the U.S. Investment Company Act of 1940 (the “**Investment Company Act**”) or the U.S. Securities Act of 1933 (the “**Securities Act**”) and are privately placed to qualified investors in the United States and outside the United States. See also Item 7 below.

Investment Mandates

The Funds are managed in accordance with the investment objectives, strategies and guidelines as set forth in the relevant Fund’s organizational documents and other related documents (collectively “**Governing Documents**”) or investment management agreement, and in all cases, investments are selected on the basis of the Funds’ investment objectives.

The Funds are not tailored to the individualized needs of any particular Investor, though certain Funds may take into consideration the general characteristics (e.g., tax status) of its target Investors when structuring its operations. An investment in a Fund does not, in and of itself, create an advisory relationship between the Investor and Connor Capital, typically does not enter into separate advisory arrangements with any

Investor. Therefore, each Investor must consider for itself whether any Fund meets the Investor's investment objectives and risk tolerance before investing in a Fund. Information about each Fund is set forth in its Governing Documents, which will be available to current and eligible prospective Investors only through Connor Capital.

ITEM 5: FEES AND COMPENSATION

Connor Capital Management Fees & Carried Interest

Connor Capital and the General Partner receive various fees from the Funds for their services at a negotiated rate based on each Fund's particular circumstances. Fees for these services are set forth in the Governing Documents or applicable investment management agreement.

Connor Capital's management fees for its Funds are initially generally charged as a percentage of the Funds aggregate capital commitments until the earlier of the expiration of the Investment Period. Thereafter, the management fee is generally assessed at a percentage of the Fund's adjusted funded capital commitment. Management fees begin accruing on the initial closing date and will be payable quarterly in advance unless deferred by the Manager, as defined in the Fund's Governing Documents (the "**Management Fee**").

The General Partner is generally entitled to receive a carried interest distribution (typically 20%) of the net profits derived from the disposition of investments, after the return of capital contributions and a preferred rate of return to Investors, (the "**Carried Interest**"), as defined in the Governing Documents for each Fund. Upon final dissolution of the Fund, the General Partner is generally required to return Carried Interest distributions to the extent that such distributions exceed the amounts that would have been distributed if such Carried Interest distributions were calculated on the aggregate basis covering all Funds transactions (subject to terms and limitations set forth in the applicable Fund's Governing Documents.) Carried Interest distributions are calculated from time to time upon the disposition of portfolio investments and are allocated or distributed to the General Partner or affiliate following the return of capital contributions and preferred return to Investors.

Portfolio Company Fees

Connor Capital or a Connor Capital affiliate is entitled to certain fees from Portfolio Companies in which the Fund invest and/or in connection with Portfolio Company investments, which may include advisory fees, transaction fees, consulting fees, directors' fees, monitoring fees, closing fees, or similar fees ("**Special Income**"). Pursuant to terms set forth in the Governing Documents for the Fund (but not Investment Vehicles), such Special Income, after deduction of unreimbursed expenses and costs of the General Partner and its affiliates ("**Net Special Income**"), generally reduces the Management Fees payable to Connor Capital from the Fund (but not from Investment Vehicles). Net Special Income for any such investment generally will be allocated among the Fund and any co-investors pro rata in proportion to the Fund and such co-investors' investment for purposes of the offset as a percentage of the total investment. To date, Connor Capital has not received any Special Income.

Other Expenses

In addition to the Management Fee, each Fund typically pays its own operating expenses, or otherwise reimburses Connor Capital or a Connor Capital Affiliate, for these and other services as well as for certain organizational and offering expenses related to the Fund ("**Partnership Expenses**"). Partnership Expenses are described more fully in the Fund's Governing Documents. If any fees, costs or expenses are incurred jointly for any Fund, Acquisition Vehicle, and/or any other account or entity sponsored or managed by Connor Capital or its affiliates, those expenses will be allocated among such Funds or entities in a manner as we reasonably determine to be fair and equitable under the circumstances.

Partnership Expenses typically include all reasonable out-of-pocket costs of administration of each Fund, including consulting and accounting, audit, tax return preparation and legal expenses, administrators' fees, annual meeting costs, liability insurance, and limited partner reporting expenses. Partnership Expenses also include out-of-pocket costs and expenses directly related to portfolio investments or prospective

investments (whether or not consummated), such as legal, accounting and other professional or third-party costs, travel, entertainment and other costs.

Connor Capital seeks to structure Portfolio Company investments so that Deal Expenses are absorbed or reimbursed by the relevant Portfolio Company, whenever practicable. Deal Expenses that are not absorbed or reimbursed by a Portfolio Company, such as when a deal is not consummated (i.e., “***Dead Deal Expenses***”) or when a security is purchased from someone other than the issuer, are deemed Partnership Expenses and to the extent such expenses relate to a specific investment are generally capitalized as part of the cost of the investment.

Any Investment Vehicles that are established to participate side-by-side with the Fund in multiple deals, will pay a proportionate share of Dead Deal Expenses or other Deal Expenses that are not charged directly to a Portfolio Company but are instead treated as Partnership Expenses. Investment Vehicles that are established as a single-purpose entity to invest in a single Portfolio Company, or other co-investors who participate individually in a single Portfolio Company investment, will only pay any Dead Deal Expenses or other Deal Expenses related to that specific Portfolio Company.

In addition, Portfolio Companies will pay directly, or reimburse Connor Capital or an affiliate, for consulting fees or other expenses paid to operating partners or consultants, including those with whom Connor Capital has a business relationship. Connor Capital contemplates that such operating partners and consultants will include operating partners and consultants who on a long-term basis spend a majority of their business time and attention providing services for the Partnership’s Portfolio Companies. Fees paid to such operating partners and consultants will not reduce Management Fees. Operating partners may further participate in sourcing potential portfolio company acquisition targets and participate in such portfolio company transactions together with Connor Capital and will benefit directly economically with respect to such transactions.

Partnership Expenses also include expenses incurred in the registration or exemption of the Funds; unreimbursed expenses incurred in connection with the collection of amount due to the Funds from any person; expenses incurred in connection with alterations and amendments to Governing Documents; expenses incurred in connection with any fund litigation and/or any indemnity or payment to any person; all expenses in connection with the dissolution and liquidation of the Funds; all expenses incurred on account of taxes, fees or other governmental charges; and all expenses incurred in connection with dissolution and liquidation of the Funds.

Investors are charged for Partnership Expenses either through a drawdown from a capital call or through a deduction from available cash held by the Fund, as selected by Connor Capital. As noted above, Portfolio Companies may reimburse Connor Capital or a Connor Capital Affiliate for expenses incurred in connection with such investment. Connor Capital discloses certain information about the amount and nature of Partnership Expenses to Investors. In addition, Investors generally receive limited or no information about the expenses paid or reimbursed by Portfolio Companies.

This section provides an overview of the general fees and expenses to which Connor Capital Fund Investors are subject but is not an exhaustive list of all Partnership Expenses. Partnership Expenses are described more fully in the Governing Documents for each Fund.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As noted above, the Funds generally pay Carried Interest or performance-based fees to the General Partner that are tied to the performance of the relevant Fund. The General Partner receipt of performance-based fees raises certain conflicts of interest, which are described below.

Investment Selection. Performance-based fees and other arrangements where the incentive to achieve gains may exceed the disincentive to suffer losses may cause Connor Capital to choose investments that are riskier or more speculative than might otherwise have been chosen.

In general, we attempt to address any material conflicts through full and fair disclosure in the applicable offering documents, Governing Documents, and this Brochure.

ITEM 7: TYPES OF CLIENTS

Connor Capital provides investment management services solely to Private Funds exempt from registration under the Investment Company Act and Securities Act. Investors in the Private Funds are generally institutional investors and certain high net worth investors that are “accredited investors,” “qualified clients” and “qualified purchasers” within the meaning of the Securities Act, the Advisers Act and the Investment Company Act, respectively.

The Private Funds have a specified minimum investment as set forth in their Governing Documents. This minimum investment is subject to discretion, and Connor Capital or its affiliates may permit investments of a smaller amount generally or with respect to any Investor.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Following is a summary of the investment strategies and risks involved in Connor Capital's investment activities. Investors and potential investors should review the applicable Governing Documents for the particular Private Fund(s) in which they are considering investing for a more comprehensive discussion of the relevant risks associated with investing in that Fund.

Methods of Analysis and Investment Strategies

Connor Capital focuses on generating capital appreciation primarily through equity, debt, equity-related and debt-related investments in privately held companies as well as in publicly traded companies in the transportation and transportation related industries. The focused investment areas are land, air, and transportation technology. Connor Capital believe these areas remain highly fragmented, providing opportunity for consolidation strategies and that numerous companies in the sector have meaningful growth opportunities.

Connor Capital conducts due diligence evaluations from the time an investment opportunity is identified through the closing of the transaction. The timing and staging of due diligence evaluations are driven by transaction and opportunity specific metrics. The due diligence process is focused on verifying that the underlying fundamentals of each business are attractive and that the investment fits well in Connor Capital's investment criteria.

Investment and Fund Risks

Connor Capital's investment activities involve a significant degree of risk. The securities in which a Fund invests generally are highly illiquid and, although these investments may occasionally generate some current income, the return of capital and the realization of gain, if any, from an investment generally will occur only upon the partial or complete disposition of an investment. It is unlikely for there to be a public market for many of the securities recommended by Connor Capital on behalf of the Funds, and these securities may require a substantial period of time to liquidate. There can be no assurance that the Funds will be able to realize returns on its investments it manages or that the returns will be commensurate with the risks of investing in the type of companies and transactions described in the applicable Governing Documents. Accordingly, an investment in the Funds should only be considered by persons who can afford a loss of their entire investment. Private equity investments made by Connor Capital involve a number of material risks including (but not limited to) the following:

Lack of Diversification. The Funds are expected to participate in a limited number of investments and there is no guarantee that Connor Capital and a Fund will be able to identify or acquire an appropriate volume of investment opportunities and, as a consequence, the aggregate returns of a Fund would be substantially affected by the unfavorable performance of a single investment. Because a Fund will only make a limited number of investments and since the Fund's investments generally will involve a high degree of risk, poor performance by one or more of the Fund's investments will materially affect the total returns to Investors. On any given investment, loss of all or a portion of the Investors' capital is possible. Investors have no assurance as to the degree of diversification in the Fund's investments. The Funds are not required to make investments that are diversified geographically or otherwise. Because Fund investments could be concentrated within relatively few industries, sectors, countries or regions, portfolio diversification will be less than would be possible if the Fund were to invest in a broader range of industries, sectors, countries or regions. Such reduced diversification could increase the volatility of the Fund's returns, and could reduce the Fund's returns relative to more diversified funds to the extent that such industries, sectors, countries or regions do not perform as well as other industries, sectors, countries or regions.

Competition for Investment Opportunities. The activity of identifying, completing and realizing attractive investments is competitive and involves a high degree of uncertainty. The Funds may compete with other potential investors including private funds, hedge funds, other financial institutions or other corporate or strategic buyers for limited investment opportunities. As a result, there can be no assurance that a Fund will be able to locate and complete portfolio investments that satisfy the Fund's return objectives or realize their potential values or that the Fund will be able to become fully invested for a significant period of time, if at all.

Formation of New Affiliated Investment Funds. The General Partner and Connor Capital may in the future form additional affiliated investment funds that follow an investment program that is substantially the same as (or that incorporates substantial portions of the investment program of) the Fund or may create additional conflicts of interest that may not be foreseeable. The General Partner, Connor Capital, and the principals and their respective affiliates may have continuing obligations to certain investment funds formed before and after the date hereof and other investment activities. The General Partner, Connor Capital, and the principals and their respective affiliates may also possess interests in other business ventures of any kind, nature or description, independently or with others, all of which may have operations and/or objectives similar to the Fund. These activities could be viewed as creating a conflict of interest in that Connor Capital or the General Partner will not be devoted exclusively to the business of the Funds but will be allocated between the business of the Fund and the management of the monies and assets of other advisees of the General Partner and Connor Capital.

Reliance on Connor Capital's Professionals. The success of the Funds depends, in substantial part, upon the skill and expertise of the investment professionals of Connor Capital. There can be no assurance that these investment professionals will continue to be associated with Connor Capital throughout the life of a particular Fund. As noted, in Item 10: Other Financial Industry Activities and Affiliations, the Principal has another employer and Connor Capital has a strategic agreement with another investment manager.

Passive Investment in Interests. Investors do not control the day-to-day operations, including investment and disposition decisions, of any Fund and generally must rely entirely on Connor Capital, among others, to conduct and manage the affairs of the Funds.

Market and Economic Risks. Private equity investments in Portfolio Companies may be materially and adversely affected by market, economic, and political conditions globally and in the jurisdictions and sectors in which the investments are made or the Portfolio Companies operate, including factors affecting interest rates, the availability of credit, currency exchange rates, and trade barriers, supply chain disruptions, sanctions and national and international political conditions. These factors may affect the level and volatility of securities prices and the liquidity of a Fund's assets. Volatility or illiquidity could impair a Fund's profitability or result in losses. The capital markets have experienced great volatility and financial turmoil, including, without limitation, following the COVID-19 outbreak and the recent outbreak of war between Russia and Ukraine. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature – including sanctions) may have a negative effect on market conditions. General fluctuations in the market prices of investments and economic conditions generally may affect the Funds' ability to make investments. Instability or volatility in the markets and economic conditions generally (including during periods of high inflation and/or a slow-down in economic growth) may also increase the risks inherent in the Funds' investments and could have a negative impact on the performance and/or valuation of the investments.

Distribution of Portfolio Companies. The Funds may receive security positions from a Portfolio Company as part of a distribution or liquidation. These positions will be subject to market risk until liquidated.

Uncertain Nature of Investments. The Funds may enter into high-risk investment opportunities. Companies in which the Funds invest may not achieve their expected operational objectives and might experience substantial fluctuations in their operating results. In all these cases, the Funds are subject to the risks associated with the underlying businesses engaged in by Portfolio Companies, including market conditions, changes in regulatory environment, general economic and political conditions, the loss of key management personnel and other factors. Potential Investors should realize that realization events could be delayed as a result of general economic conditions, illiquidity of portfolio investments, contractual prohibitions or other reasons mentioned in this Brochure or the applicable Governing Documents.

Illiquid Investments. Although investments by the Funds occasionally may generate some current income, the return of capital and the realization of gains, if any, from an investment primarily will occur upon the partial or complete disposition of the investment. It generally is expected that the sale of most of the investments will not occur for a number of years after the investments are made. Generally, no public market exists for most of the securities initially held by the Funds and these securities may require a substantial length of time to liquidate.

Insufficient Capital for Follow-On Investments. From time to time, a Portfolio Company may require additional capital. There is no assurance that the Funds will make follow-on investments or that the Funds will have sufficient resources to, or be permitted to, make these follow-on investments. A decision to not make follow-on investments or its inability to make them may have a substantial negative impact on a Portfolio Company, may result in missed opportunities for a Fund or may result in dilution of a Fund's investment.

Investments Longer than Term. The Funds may make investments that, due to various reasons, may not be capable of an advantageous disposition prior to the date a Fund is required to be dissolved, either by expiration of the Fund's term or otherwise. Therefore, a risk exists that a Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

Regulatory Approvals. There can be no assurance that a Portfolio Company targeted by Connor Capital will be able to (i) obtain all required regulatory approvals that it does not yet have or that it may require in the future; (ii) obtain any necessary modifications to existing regulatory approvals; or (iii) maintain required regulatory approvals. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent operation of a facility owned by a Portfolio Company, the completion of a previously announced acquisition or sales to third parties or could otherwise result in additional costs to a Portfolio Company.

Inflation Risk. If a Portfolio Company is unable to increase its revenue in times of higher inflation, its profitability may be adversely affected. Some Portfolio Companies may have long-term rights to income linked to some extent to inflation, including, without limitation, by government regulations and contractual arrangement. Typically, as inflation rises, a Portfolio Company will earn more revenue, but will incur higher expenses. As inflation declines, a Portfolio Company may not be able to reduce expenses in line with any resulting reduction in revenue. Many businesses rely on concessions to mitigate the inflation risk to cash flows through escalation provisions linked to the inflation rate. While these provisions may protect against certain risks, they do not protect against the risk of a rise in real interest rates, which is likely to create higher financing costs for these businesses and a reduction in the amount of cash available for distribution to investors.

Minority Investment Positions. Investments may be made by Connor Capital in Portfolio Companies in conjunction with one or more other investors. Although Connor Capital typically will negotiate shareholder rights that give it significant influence over the direction of the Portfolio Company, certain major decisions

generally may require the consent of other investors, thereby lessening Connor Capital's control and, therefore, its ability to protect the position of the relevant Fund.

Transportation Industries Risks

Concentration of Investments in Transportation Industries. The Funds' portfolio companies will be concentrated in transportation industries and related sectors. Concentration in a single industry may involve risks greater than those generally associated with more diversified funds. Instability, fluctuation or an overall decline within transportation industries will likely not be balanced by investments in other industries not so affected. In the event that transportation industries as a whole decline, returns to the Funds may also decline. Transportation industries can be significantly affected by changes in the economy, fuel prices, labor relations, insurance costs and government regulation.

Government regulation and compliance risks. Companies in transportation industries are subject to the jurisdiction of various regulatory agencies for a variety of economic, health, safety, labor, environmental, tax, legal and other matters. New or modified rules or regulations could increase operating costs or reduce operating efficiencies and impact service performance of transportation companies. Noncompliance with these and other applicable laws or regulations could erode public confidence in transportation companies and could subject them to fines, penalties and other legal or regulatory sanctions.

Climate Change. Climate change and other emissions-related legislation and regulation have been proposed and, in some cases adopted, on the federal, state, provincial and local levels. These final and proposed laws and regulations take the form of restrictions, caps, taxes or other controls on emissions. In particular, the Environmental Protection Agency has issued various regulations and is expected to issue additional regulations targeting emissions, including rules and standards governing emissions from certain stationary sources and from vehicles. Climate change and other emissions-related legislation and regulation could adversely affect the operations and financial results of Transportation Companies.

Oil & Commodity Prices. An increase in oil or other commodity prices could have a negative effect on the performance of Transportation Companies. An increase in the price of oil or other commodities could increase operating costs or reduce operating efficiencies of transportation companies. Transportation companies might not be able to pass on increases in operating costs to their customers. Further, an increase in such prices could result in a decrease in demand for the services of transportation companies. This risk is particularly accented in transportation companies since companies in transportation industries typically operate on low margins.

E-Commerce. E-commerce will have a significant effect on the performance of transportation companies. The shift from traditional forms of consumption to e-commerce poses a challenge to transportation companies, especially with respect to the delivery of consumer goods if goods are delivered in electronic format over the Internet rather than transported physically. If a transportation company fails to adapt to this changing business environment, their performance could be materially and adversely affected.

Operational and Macro Risks

Information Technology, Electronic Communications, Cybersecurity Risks & Business Continuity. Connor Capital, the Funds, affiliates, service providers and other market participants increasingly depend on information technology and electronic communications systems to conduct business functions, including through expanded remote work activities. These systems are subject to a number of different threats or risks that could adversely affect the Funds and Investors, despite efforts of Connor Capital and the Funds', services to adopt technologies, processes and practices intended to mitigate these risks and protect the securities of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Funds and Investors. Moreover,

notwithstanding the diligence that Connor Capital or our affiliates may perform on its or the Funds' service providers, it may not be in a position to verify the risks or reliability of such information technology systems. Connor Capital and its respective affiliates and service providers are subject to risks associated with a breach in cybersecurity. "Cybersecurity" is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage and disruption to hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. Connor Capital and its affiliates and our information and technology systems are vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although we have implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, Connor Capital or an affiliate may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Connor Capital or affiliate's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm Connor Capital or affiliates' reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect its business and financial performance. Such damage or interruptions to information technology systems may cause losses to the Funds or Investors by interfering with Connor Capital or affiliate's operations, (or their service providers). The Funds may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage. Any such breach could expose the Funds, Connor Capital and our affiliates to civil, legal or regulatory liability as well as regulatory inquiry and/or action, and the Funds may be required to indemnify us and our affiliates against any losses incurred in connection therewith. Cybersecurity issues and risks are currently a major focus area of the SEC and other regulatory authorities.

Global Health and Related Economic Risks

The impact of disease and epidemics may have a negative impact on Connor Capital, the Funds and their Portfolio Companies, each of their respective affiliates, and service provider and the performance and financial position of each of the foregoing. The COVID-19 pandemic, renewed outbreaks of other epidemics or the outbreak of new epidemics have or could result in health or other government authorities requiring the closure of offices or other businesses and have or could also result in a general economic decline. For example, such events may adversely impact economic activity through disruption in supply and delivery chains. Moreover, the operations of any of the foregoing persons could be negatively affected if personnel are quarantined as the result of, or in order to avoid, exposure to a contagious illness. Similarly, travel restrictions or operational issues resulting from the rapid spread of contagious illnesses may have a material adverse effect on business and results of operations. A resulting negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility, cause credit spreads to widen, and reduce liquidity, all of which could have an adverse effect on any of the foregoing persons.

Financial Institution Risk; Distress Events. An investment in a Fund is subject to the risk that banks, brokers, hedging counterparties, lenders or other custodians (each, a "**Financial Institution**") of some or all of the Fund's assets fail to timely perform their obligations or experience insolvency, closure, receivership or other financial distress or difficulty (each, a "**Distress Event**"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, Connor Capital and the Fund may not be able to access deposits, borrowing facilities or other services,

either permanently or for an extended period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation (“FDIC”), in the case of banks, or the Securities Investor Protection Corporation (“SIPC”), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties during Distress Events, there can be no assurance that such intervention will occur in a future Distress Event or that any such intervention undertaken will be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of Connor Capital to manage the Funds and their investments and on the ability of Connor Capital, the Funds and portfolio companies to maintain operations, which in each case could result in significant losses. Such losses have the potential to include a loss of funds and the inability of Funds to acquire or dispose of investments or acquire or dispose of such investments at prices that Connor Capital believes reflect the fair value of such investments. If a Distress Event leads to a loss of access to a Financial Institution’s services, it is also possible that the Funds will incur additional expenses or delays in putting in place alternative arrangements or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). Although Connor Capital expects to exercise contractual remedies under agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. The Funds are subject to similar risks if a Financial Institution utilized by Investors in the Funds or by suppliers, vendors, service providers or other counterparties of the Funds becomes subject to a Distress Event, which could have a material adverse effect on the Funds.

A Financial Institution may require, as a condition to using its services (including lending services), that Connor Capital, the Funds maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institution. Although Connor Capital seeks to do business with Financial Institutions that it believes are creditworthy and capable of fulfilling their obligations to the Funds, Connor Capital is under no obligation to use a minimum number of Financial Institutions with respect to any Fund or to maintain account balances at or below the relevant insured amounts.

Force Majeure & Catastrophic Risks. Connor Capital, the Funds and Portfolio Companies may be subject to operational risk from unforeseeable and uncontrollable catastrophic events, including fires, floods, earthquakes, adverse weather conditions and related power outages, water shortages or other damage caused by such events, changes in law, eminent domain, wars, riots, terrorist attacks, and other similar risks, which may be uninsurable or insurable at rates that we deem uneconomic. These events could result in loss and litigation, among other potentially detrimental effects. Certain force majeure events (such as an outbreak of an infectious disease (including the COVID-19 global pandemic)) could have a broader negative impact on the world economy and international business activity generally. In February 2022, armed conflict escalated between Russia and Ukraine and Russia invaded Ukraine. In response to Russia’s invasion of Ukraine, the United States, the European Union and various other countries announced, and continue to announce and expand, sanctions against or targeting Russia and various important Russian people and companies. These sanctions currently include, among others, restrictions or bans on selling or importing goods, services or technology in or from Russia, bans on Russian energy imports, and travel bans and asset freezes impacting connected individuals and political, military, business and financial organizations in Russia. The U.S. and other countries could impose wider or more significant sanctions and take other actions against Russia, or its interests should the conflict further escalate or deteriorate. The Ukraine-Russian conflict has led to, and may continue to lead to, significant political, geopolitical, economic and market turmoil and volatility, including dramatic increases in oil and gas prices and further supply chain disruptions. It is not possible to

predict the broader consequences of this conflict, or the sanctions imposed or applied as a result thereof, which could include further sanctions, embargoes, regional instability, geopolitical shifts, conflicts and adverse effects on macroeconomic conditions, currency exchange rates and financial markets, all of which could impact the Funds' or any portfolio investment's business, financial condition and results of operations.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE DESCRIPTION OF ALL OF THE RISKS ASSOCIATED WITH THE INVESTMENT STRATEGIES OF, OR THAT ARE APPLICABLE TO, THE FUNDS.

ITEM 9: DISCIPLINARY INFORMATION

Connor Capital is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Connor Capital or the integrity of management.

Connor Capital has no information to disclose in response to this Item.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

General Partner. As described in Item 4, the General Partner serve as such for all the Funds.

Private Funds. Each of the Funds are affiliated Funds. Investors may invest in a Fund, including a Feeder Fund, to the extent that they are eligible. Connor Capital is under no obligation to make these types of investments available, investments may not be appropriate for every Investor, and persons offered the opportunity to invest in multiple Funds recognize that Connor Capital is making the opportunity available based solely on its knowledge of the Investor's eligibility for such Fund. Connor Capital will not consider whether the investment is appropriate for the Investor, and neither is providing investment advice in making the opportunity available. Investors should consider all available information about such Funds, in light of their particular circumstances, prior to making an investment and, as a result, not all persons offered this opportunity will choose to invest. Further information about the Funds and their investments can be found in the Governing Documents, which are made available to current and qualified prospective Investors.

Co-Investments. In connection with any Fund investment where the transaction requires or permits a larger investment than appropriate for the Fund, the General Partner may in its sole discretion, but shall not be required to, offer to Fund Investors, and other strategic third parties including operating partners who may be instrumental in sourcing portfolio company transactions, the opportunity to co-invest with the fund on such terms and conditions as set forth in Fund Governing Documents or otherwise as the General Partner or Investment Manager determines ("**Co-Investment Opportunities**"). Certain of the Funds have entered into and may in the future enter into co-investment arrangements and have made or may make investments with these Investors or other third-party investors in Investment Vehicles managed by Connor Capital that were created solely for purposes of the co-investment arrangement. Except as otherwise provided in Fund Governing Documents, Connor Capital is under no obligation to make Co-Investment Opportunities available to Investors. Connor Capital identifies potential co-investors, including Fund Investors and other third-party investors, based upon its knowledge of the potential co-investor's knowledge and expertise, resources, interest and ability to make such co-investments in a timely manner.

Strategic Partnership/Agreement. Connor Capital and the General Partner entered into a strategic agreement with Oaktree Capital Management, L.P., a registered investment adviser with the Securities and Exchange Commission ("**Oaktree**") related to transportation infrastructure investment opportunities. Oaktree is a large investment manager with several funds that make investments in the transportation industry without offering those opportunities to the Fund. The Principal has also entered into a related employment agreement with Oaktree. The Principal devotes a significant portion of his business time and attention to Connor Capital in connection with managing the Fund, Investment Vehicles and other related Fund entities and is also required to devote a significant portion of his business time to Oaktree. The Principal continues to control Connor Capital and is a dual employee of Oaktree and Connor Capital. For purposes of allocating investments among the Fund, its affiliated Investment Vehicles, and the applicable Oaktree and any other Oaktree Funds, the strategic agreement sets forth allocation principles.

Please refer to Item 11- Code of Ethics for further conflicts of interest discussion on this strategic agreement.

Portfolio Company Activities. Certain Connor Capital employees, officers and/or affiliates serve (and may in the future serve) as directors, officers or committee members of various Fund Portfolio Companies. Such persons could face conflicts of interest between discharging their duties to the Portfolio Companies and acting in the best interest of the Funds as discussed in Item 5 above.

Other Activities. Such activities may be deemed to create potential conflicts of interest with respect to the Fund activities, which Connor Capital seeks to mitigate through disclosure in this brochure.

Other employees are generally expected to devote their full professional time and efforts to the business of Connor Capital and its affiliates and avoid activities that could present actual or perceived conflicts of interest. Employees must generally obtain prior approval from the CCO for outside activities. Connor Capital principals or employees hold or may hold direct and/or indirect personal or family investments in various entities, public and private companies, investments and assets/properties, including Funds established or sponsored by Connor Capital, or other entities, and serve or may serve on boards of directors, investment committees and advisory boards for such companies or entities. Any personal investment activities must be consistent with Connor Capital's Code of Ethics. Please refer to Item 11 - Code of Ethics for a further discussion on potential conflicts of interest.

Other Registrations. Neither Connor Capital, any affiliate, nor any management person is registered, or has an application pending to register as a securities broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator or commodity trading advisor.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Investments or Other Interest in Private Funds & Portfolio Companies

Connor Capital advises multiple Private Funds that have investment objectives, guidelines and strategies, documented in the Governing Documents for each Fund. Connor Capital is not obligated to recommend, buy or sell, or to refrain from recommending, buying or selling for any Fund any security that Connor Capital or a related person may buy or sell for its or their own accounts or for any other Fund Connor Capital manages.

Connor Capital and its affiliates, along with their respective personnel, have invested and may in the future invest or otherwise have an interest, either directly or indirectly, in the Funds, and/or securities held by the Funds, including investments in Co-Investment Opportunities, as further discussed in Item 10 and below. Connor Capital and its affiliates have entered into and may in the future enter into transactions with Portfolio Companies, and the Funds have invested and may invest in the same Portfolio Companies as other Funds, which could lead to potential conflicts of interest. Connor Capital has implemented policies and procedures relating to personal securities transactions and insider trading that are designed to identify potential conflicts of interest, to prevent or mitigate actual conflicts of interest and to resolve conflicts appropriately, if they do occur.

Investment & Co-Investment Allocations

The Governing Documents of the Funds limit investments by Connor Capital and its affiliates outside the Fund in privately negotiated equity investments of the types to be made by the Fund. The Chief Compliance Officer (“CCO”) must be notified of all investment opportunities in which Connor Capital or an affiliate invests consisting of privately negotiated equity investments that meet the investment parameters of, but are not invested in by the fund, and the CCO should be escalated to the Principal, if necessary.

As noted in Item 10 above, pursuant to the Governing Documents of the Funds, in connection with any Fund investment where the transaction requires or permits a larger investment than appropriate for the Fund, Connor Capital may in its sole discretion (but shall not be required to), offer to certain Investors and the opportunity to co-invest with the Funds, in addition to any allocation required by the strategic agreement with Oaktree. Employees do participate in Co-Investment Opportunities, but do not receive any special benefits.

Related Party Transactions

Neither Connor Capital nor any affiliate may engage in any principal transaction with a Fund unless it complies with applicable law and relevant policies and procedures. In order to ensure that it obtains requisite consent required by Section 206(3) of the Advisers Act, Connor Capital will not engage in any principal transaction with any Fund without the prior approval of the Fund’s Investors except as otherwise permitted by the relevant Fund’s Governing Documents.

Code of Ethics

The strategic agreement noted in Item 10, requires Connor Capital and its employees to comply with Oaktree’s internal policies and procedures regarding information sharing and trading restrictions as set forth in Oaktree’s Code of Conduct and execute Oaktree’s standard form of non-disclosure agreement. In addition, Connor Capital’s employees must comply with all applicable U.S. state, U.S. federal and non-U.S. securities, anti-bribery/corruption and anti-money laundering laws, rules, and regulations, as well as such rules and procedures of Oaktree’s Compliance Department. Connor Capital provides quarterly certifications

of such compliance to Oaktree or Oaktree's Compliance Department, as requested. Overall, the Principal is responsible for ensuring that the employees of Connor Capital comply with these provisions, among others noted in the strategic partnership agreement.

Connor Capital's Code of Ethics was adopted to govern personal transactions by supervised persons and to assure that their interests do not conflict with the interests of the Funds or, as applicable, Investors in the Funds. As such, Connor Capital's Code of Ethics includes: (i) standards of business conduct, requiring that supervised persons comply with relevant provisions of the federal securities laws and the fiduciary duties an investment adviser owes to its clients; (ii) personal securities transaction policies governing the personal investment activities of relevant personnel and requiring the submission by access persons of reports regarding their personal trading accounts and activities; and (iii) an insider trading policy.

Currently, all employees, officers, directors and principals of Connor Capital are considered to be "Access Persons" for purposes of the Code of Ethics. Personnel who fail to observe the Code of Ethics and related compliance policies risk serious sanctions, including dismissal and personal liability.

Personal Securities Transactions Policy

Connor Capital's Code of Ethics also includes a personal securities transactions policy, which imposes certain requirements and restrictions with respect to personal trading and investment activity by Access Persons. In particular, the Code requires Access Persons to obtain the approval of the CCO prior to investing in IPOs, initial coin offerings ("*ICOs*") and private placements. Connor Capital maintains and periodically updates its Restricted List and has access to Oaktree's Restricted List, to reflect actual or potential investment activities or other receipt of potential material non-public information. Access Persons are also prohibited from investing in securities listed on Connor Capital's and Oaktree's Restricted Lists without prior approval by the CCO. In appropriate circumstances the CCO may grant waivers to the Code's restrictions.

Insider Trading Policy

Connor Capital and its related persons may, from time to time, come into possession of material nonpublic and other confidential information, which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Connor Capital may be prohibited from improperly disclosing or using such information for its personal benefit or for the benefit of any other person, regardless of whether that other person is a Fund. Accordingly, should Connor Capital come into possession of material nonpublic or other confidential information with respect to any company, it may be prohibited from communicating that information to, or using that information for the benefit of its Funds, and have no obligation or responsibility to disclose such information to, nor responsibility to use that information for the benefit of, the Funds when following policies and procedures designed to comply with law. Accordingly, Connor Capital's Code establishes procedures to prevent the misuse of material nonpublic information by Connor Capital supervised persons.

Reporting Requirements under the Code

To assist Connor Capital in monitoring personal trading activities in order to detect potential conflicts of interest or violations of the Code, fiduciary duty or applicable law, Access Persons must provide periodic reports with respect to personal securities transactions, holdings and accounts, including annual reports of holdings in certain, reportable securities and quarterly reports of their personal transactions in reportable securities. These reports are submitted to and reviewed by the CCO or the CCO's designee, and Oaktree's Compliance Department.

Gifts and Entertainment

Employees on occasion accept gifts or invitations to entertainment but must always act in the best interest of Connor Capital and its Funds and avoid any activity that might create an actual or perceived conflict of interest or impropriety in the course of Connor Capital's business relationships. Connor Capital's gifts and entertainment policy implements internal controls to monitor such activity, which include (among others):

- Requiring employees to report or obtain pre-clearance from the CCO before accepting gifts and entertainment of significant value; and
- Prohibiting more than four gifts or entertainment given or sponsored by the same person or entity without pre-approval from the CCO.

Political Contributions

Employees on occasion may make political or charitable contributions. Employees are required to seek prior approval before making political contributions to any political official, candidate for political office, political party or political action committee ("**PAC**"). Political contributions are generally permitted except where such contributions may raise issues under the pay-to-play rule.

ITEM 12: BROKERAGE PRACTICES

Brokerage Practices

Connor Capital does not typically use brokers to transact for the Funds. However, the Funds may receive, and have received, public security positions from a Portfolio Company as part of a distribution or liquidation of that Portfolio Company. Accordingly, Connor Capital may from time-to-time sell such positions through a broker-dealer, either in an underwritten offering or in the market. When executing portfolio transactions in any investment in or for a Fund using brokers or dealers, Connor Capital will seek the best overall execution terms available to close the deal expeditiously and on terms most favorable to the Fund. When executing transactions for any Fund through a broker, Connor Capital may consider a number of factors, including reputation, financial strength and stability, efficiency of execution, commission rates, ability to execute difficult or complex transactions, and other matters involved in the receipt of brokerage services generally.

In applying these factors, Connor Capital recognizes that different brokers may have different execution capabilities with respect to different types of securities and transactions, and that no one broker will likely be judged the best at every relevant factor as a general matter or with respect to any particular transaction.

In the event Connor Capital selects an investment banker to sell a portfolio company or an underwriter(s) for a portfolio company IPO, the Investment Team will typically meet with multiple firms before making a selection and base such decision on various factors, including prior deal experience, contacts, team expertise, fees, research support and other relevant factors depending on the facts and circumstances of the transaction.

Soft Dollars. Connor Capital's current policy is not to use commissions generated by trading for the Funds to pay for third party research services.

Brokerage for Client Referrals. Connor Capital does not use brokerage relationships for client referrals.

ITEM 13: REVIEW OF ACCOUNTS

Reviews. Connor Capital's Investment Team will actively monitor and review each Fund's investment portfolio on a regular basis. Investments will be reviewed in light of each Fund's stated investment objectives and guidelines as set forth in the Fund Governing Documents. During the review process, investment professionals will analyze existing Portfolio Companies to identify issues, take any necessary actions, and monitor Portfolio Company operations and overall performance relative to the original investment thesis. The Funds Administrator, SS&C Technologies, is generally responsible for overseeing periodic reconciliations of Funds assets in coordination with the CCO/COO. Cash accounts and positions in assets that are not publicly traded are reconciled at least quarterly with their corresponding valuations. The Fund Administrator will maintain work papers documenting the periodic reconciliations of the Funds' assets. In analyzing and evaluating potential investments and applicable risks, the Investment Team conducts qualitative and quantitative research and analyses, reviews market outlooks and data related to the Portfolio Companies in each Fund. Connor Capital maintains research/due diligence files on each Portfolio Company investment made on behalf of the Funds.

Reports. Connor Capital provides quarterly written reports to Investors to monitor their investments. The reports include a description of the Funds' investments, financial statements and a capital account statement.

Additionally, Connor Capital is required to provide annual audit reports to each Investor in the Fund and Feeder Fund after the end of the relevant Fund's fiscal year. Unaudited financial statements are provided to Investors in certain Investment Vehicles. Reports may include or be accompanied by information with respect to the performance of the Fund's, information about the Investor's capital account and certain tax-reporting information (e.g., Form K-1).

Connor Capital provides and may in the future provide additional information pursuant to specific Investor requests or side letters. Representatives of Connor Capital may be made available for discussions with Investors on a periodic or agreed upon basis.

Oversight of Funds

The General Partner, Principal and CCO provide oversight of the Funds to ensure certain matters as set forth in the Fund Governing Documents, including among others, Fund investments, valuation methodologies, potential conflicts of interest, and such other Funds matters are being met. If there are material changes or decisions that may impact Investors, the General Partner request that a majority-in-interest of the Fund's direct and indirect Investors on a combined basis consent to the decisions or changes.

Valuation

As a registered investment adviser and fiduciary to the Funds, Connor Capital will require that all portfolio holdings reflect current, fair and accurate investment valuations. Valuation activities are governed by Connor Capital's Valuation Policy and approved, to the extent required, in accordance with Fund Governing Documents. Connor Capital prepares valuations for each Portfolio Company investment quarterly and the Investment Team uses Oaktree's valuation model to value each Portfolio Company and creates a quarterly valuation report for Investors, which is approved by the CCO. In addition, the Funds' auditor reviews Connor Capital's valuation procedures and the valuations and assumptions for each Portfolio Company in connection with the annual audit.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Neither Connor Capital nor any Connor Capital Affiliate generally receives any economic benefit from a non-client for providing investment advice or other advisory services to its Funds, except that Connor Capital or its affiliates receive certain fees from Portfolio Companies, or in connection with Portfolio Company investments, as described in Item 5 above. As described more fully in each Fund's Governing Documents, such fees – after deduction for unreimbursed expenses – generally offset management fees and/or reduce Fund expenses.

ITEM 15: CUSTODY

For purposes of Rule 206(4)-2 under the Advisers Act, Connor Capital is deemed to have custody of the underlying assets of the Funds due to its affiliation with each Fund's General Partner.

In order to comply with Rule 206(4)-2, Connor Capital utilizes the services of qualified custodians (as defined under Rule 206(4)-2) to hold Funds' assets, to the extent required by the Rule. Connor Capital also ensures that each qualified custodian maintains these assets in an account that contains only Funds assets, under the Fund's name. Connor Capital is not required to comply with the requirement to use a qualified custodian with respect to "privately offered securities," as defined in Rule 206(4)-2 under the Advisers Act or with respect to certain private stock certificates; however, Connor Capital is implementing procedures in its Compliance Manual that are designed to safeguard these privately offered securities. In accordance with Rule 206(4)-2, Connor Capital is (i) engaging an independent auditor registered with and subject to inspection by the Public Company Accounting Oversight Board ("PCAOB") to audit the Fund, Feeder Fund and Investment Vehicles at the end of each fiscal year and (ii) distribute the results of the audit in audited financial statements that are prepared in accordance with generally accepted accounting principles to all Investors within 120 days after the end of the fiscal year.

ITEM 16: INVESTMENT DISCRETION

Connor Capital provides investment advisory services to the Funds on a discretionary basis, subject to the overall supervision of the General Partner. The investment objectives and restrictions of the Funds are set forth in the relevant Governing Documents. Investors in the Funds do not have authority to impose any restrictions upon Connor Capital's discretionary authority. However, Connor Capital may, under certain circumstances, enter agreements or side letters with Investors that limit certain fund investments to address specific legal, regulatory, tax or policy restrictions of the Investor, or that establish rights under, or alter or supplement the terms of, such Funds' Governing Documents. Such agreements are permitted to be more favorable to such Investors than those applicable to other Investors.

Prospective Investors are provided with the Governing Documents prior to their investment and are encouraged to carefully review all offering materials and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective Investors must also execute a subscription agreement, in which they make various representations, including representations regarding their suitability to invest in the Funds.

Each Fund Investor will generally grant the general partner thereof a limited power of attorney to enable the General Partner to execute the applicable partnership agreement and perform certain other activities in connection therewith on its behalf.

ITEM 17: VOTING CLIENT SECURITIES

Connor Capital does not typically invest in or hold publicly-traded securities in the Funds and, therefore, infrequently votes proxies. However, Connor Capital may on occasion hold certain public securities, which may be subject to proxy votes. Connor Capital does not vote or review proxies on securities held by underlying Portfolio Companies.

Connor Capital has adopted proxy voting policies and procedures designed to ensure that, in the event that Connor Capital is in a position to vote proxies and deems it in the Funds' best interest to do so, Connor Capital will vote such proxies based on what it considers to be in the best financial interest of the Funds.

Fund Investors may receive a copy of the policies and procedures as well as information on how proxies were voted for their respective Fund by request to the Company.

ITEM 18: FINANCIAL INFORMATION

Connor Capital is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients.